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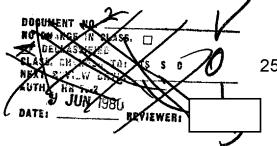
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2 July 1960

DAILY BRIEF

I. THE COMMUNIST BLOC

II. ASIA-AFRICA

Japan: The failure so far to resolve the leadership crisis in the ruling Liberal-Democratic party is providing ammunition for charges by the Japanese press that the conservatives are merely engaged in "cynical" and "undemocratic" bargaining. An early July gubernatorial election yet to be held may show the public's attitude toward the security treaty and left-wing mass violence. The public service unions of the pro-Communist Sohyo labor organization plan to hold daily demonstrations in Tokyo at least until 5 July as part of the leftist united-front effort to strengthen mass agitation against the treaty and build a Socialist election machine.

South Korea - Japan: The sudden renewal of seizures of Japanese fishing craft by South Korean patrols within the last few days will strengthen powerful Japanese interests which avor the use of force to protect Japanese fishermen on the high seas. The seizures, made well inside the "Rhee fishing line," may have been partly a response to indications that Tokyo will renew the agreement with Pyongyang for the repatriation of Koreans in Japan to North Korea for another year. Seoul has warned that renewal of the agreement would

provoke a strong reaction in South Korea.

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Approved For Release 2002/10/21 : CIA-RDP79T00975A005200020001-1 Nyasaland: African nationalist extremist sentiment again appears to be rising in Nyasaland following a tour by nationalist leader Hastings Banda. Widespread disorders similar to those of early 1959 could occur in this British protectorate later this summer if Banda fails to obtain major political concessions from the British Government at the official conference on Nyasaland scheduled for late July in London. 25X6

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DAILY BRIEF

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The Situation in Japan

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Failure of negotiations among Liberal—Democratic party (LDP) leaders so far to select a successor to Prime Minister Kishi is providing ammunition for press charges of a "cynical" and "undemocratic" struggle for power and is increasing intra-

party pressure for agreement.

Despite mounting criticism, observers see little indication that LDP officials feel any sense of urgency in establishing firm new leadership to unite conservative forces, to deal with subversive elements, and to restore international confidence in Japan. Reports suggest that leaders of anti-Kishi factions, irked by exclusion from party deliberations and by talk of disciplinary action for their failure to cooperate in the debate over the security treaty, may be discussing forming a new conservative party. Although this threat of a new party could be merely a bargaining maneuver to gain a greater voice in party affairs, the personal ambitions of Kishi's opponents could make such a threat the first in a chain of events which could ultimately split the LDP.

Ambassador MacArthur notes that the party has waged only indifferent campaigns in two early July gubernatorial elections which offer the first indication of whether the LDP's strength in rural areas has been affected by passage of the security treaty and by left-wing mass violence. Although local issues normally dominate prefectural contests, the Japan Socialist party (JSP) has made the treaty the major issue and has marshaled party leaders from Tokyo to support its campaign. LDP candidates have defended the treaty when pressed, but reports indicate that they have tried to avoid it by stressing local issues. The LDP candidate has won the 1 July election in Aomori, but the outcome in normally

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conservative Saitama prefecture, just northwest of Tokyo, will be more significant because of its proximity to Tokyo and the presence of several American military installations in the area.

The public service unions of the pro-Communist labor federation Sohyo, meanwhile, have announced plans for demonstrations every day except Sunday at least until 5 July to demand dissolution of the Diet, to continue opposition to the US alliance, and to protest disciplinary action by the government against union members who participated in political strikes during the past month. Plans beyond 6 July include probable continuance of protests by the nationwide People's Council Against the Security Treaty in order to strengthen for the anticipated general election the unitedfront tactics which the Socialists have already used successfully to capitalize on antitreaty and anti-Kishi sentiment.

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South Korea's sudden resumption of seizures of Japanese fishing craft will strengthen powerful interests in Japan which favor the use of force to protect Japanese fishermen on the high seas. Korean patrols have seized three boats in the last four days and now hold 29 fishermen. The owner of a Japanese boat that managed to escape when two others were captured on 30 July is a conservative Diet member and representative of the Japanese fishing industry who last year pressed strongly for armed protection of Japanese boats.

The seizures, made well inside the unilaterally imposed "Rhee fishing line," may have been partly a response to indications that Tokyo will renew the agreement with Pyongyang for the repatriation of Koreans in Japan to North Korea. Of the approximately 700,000 Koreans in Japan when the repatriation began last December, some 29,000 have gone to North Korea, and the Japanese estimate that between 100,000 and 150,-000 may eventually choose to go. Seoul has warned that renewal of the agreement would provoke a strong reaction in South Korea.

The seizures come at a time when there are increasing signs that prospective new governments in Seoul and Tokyo are likely to take a more rigid attitude toward a settlement of outstanding differences between the two countries. A Tokyo Foreign Ministry official has noted that any future Japanese government which would undertake serious negotiations with the South Koreans probably would take a much harder line than the present administration. Acting Prime Minister Huh Chung in Seoul has recently warned that no South Korean government is likely to reach an easy settlement with Japan and reiterated that negotiations with the Japanese will not be resumed unless the repatriation to North Korea is ended.

There also is a possibility that Pyongyang may protract negotiations for extension of the repatriation agreement, which expires on 13 August, in the knowledge that a demonstration of Tokyo's desire to continue the program probably would further aggravate South Korean - Japanese relations.

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African Unrest Growing in Nyasaland

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African nationalist extremist sentiment is reported growing again in the northern province of Nyasaland following a recent tour of the area by nationalist leader Dr. Hastings Banda. The American consul has noted a deterioration in the security and political situation since late May. During a trip he made in late June, most Africans shouted political slogans at his passing vehicle, and an American missionary told of hostile receptions at all ports on Lake Nyasa by African crowds shouting "Europeans go home." The British governor has threatened punitive action if intimidation by Banda's Malawi Congress party continues in the protectorate's central province.

Banda has demanded separation of the Nyasaland protectorate from the Federation of Rhodesia and Nyasaland, which is dominated by white settlers, as well as the rapid Africanization of the protectorate's government. British officials plan to discuss Nyasaland's political evolution with Banda in London at an official conference starting 25 July, but it is most unlikely that his demands will be met. London wants to delay any major constitutional change in Nyasaland for several months because of its adverse effect elsewhere in the Federation.

Many local and British officials are concerned that Banda will order nationalist disorders for later this summer or autumn. Similarly inspired violence in early 1959 resulted in a score of deaths, considerable property damage, the imposition of martial law,	25X1
and heightened racial tension in central Africa.	

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Scientific Adviser to the President

Director of the Budget

Director, Office of Civil and Defense Mobilization

Director, National Aeronautics and Space Administration

Special Assistant for Security Operations Coordination

Chairman, Board of Consultants on Foreign Intelligence Activities

Special Assistant for Foreign Economic Policy

Executive Secretary, National Security Council

The Treasury Department

The Secretary of the Treasury

The Department of State

The Secretary of State

The Under Secretary of State

The Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Political Affairs

The Deputy Under Secretary of State for Administration

The Counselor

Director, International Cooperation Administration

The Director of Intelligence and Research

The Department of Defense

The Secretary of Defense

The Deputy Secretary of Defense

Assistant Secretary of Defense for International Security Affairs

The Secretary of the Army

The Secretary of the Navy

The Secretary of the Air Force

The Chairman, The Joint Chiefs of Staff

The Director, The Joint Staff

Chief of Staff, United States Army

Chief of Naval Operations, United States Navy

Chief of Staff, United States Air Force

Commandant, United States Marine Corps

Assistant to Secretary of Defense for Special Operations

Director for Intelligence, The Joint Staff

Assistant Chief of Staff for Intelligence, Department of Army

Director of Naval Intelligence, Department of Navy

Assistant Chief of Staff, Intelligence, Department of the Air Force

Supreme Allied Commander, Europe

Commander in Chief, Pacific

The Department of Commerce

The Secretary of Commerce

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The Director

Atomic Energy Commission

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The Director

